

AMENDED IN ASSEMBLY JUNE 12, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

Assembly Joint Resolution

No. 36

Introduced by Assembly Members Dutton and Parra

May 22, 2003

Assembly Joint Resolution No. 36—Relative to veterans benefits.

LEGISLATIVE COUNSEL'S DIGEST

AJR 36, as amended, Dutton. Veterans benefits: Qualified Veterans Mortgage Bonds.

This measure would memorialize the President and Congress to enact legislation that would revise provisions of the Internal Revenue Code so that Qualified Veterans Mortgage Bonds may be issued by a state to fund home purchase and home improvement loans to certain additional veterans.

Fiscal committee: no.

1 WHEREAS, In addition to the benefits provided by the United
2 States Department of Veterans Affairs, various states have
3 recognized and rewarded the tremendous sacrifices made by our
4 nation's veterans; and

5 ~~WHEREAS, In an effort to address past injustices when the~~
6 ~~State of California has failed to support and recognize the~~
7 ~~sacrifices made by our military veterans, most notably after the~~
8 ~~Vietnam War; and~~

9 *WHEREAS, The State of California acknowledges the failure to*
10 *fully recognize and support the sacrifices made by our military*
11 *veterans, most notably after the Vietnam War; and*

1 *WHEREAS, The California Department of Veterans Affairs is*
2 *committed to conferring and administering veterans benefits*
3 *provided by a grateful State of California to its deserving veterans*
4 *and their dependents; and*

5 *WHEREAS, In the past decade, the California Department of*
6 *Veterans Affairs actively lobbied federal legislators to enact*
7 *changes in current federal legislation that would extend home*
8 *ownership opportunities for Vietnam War veterans; and*

9 WHEREAS, Home ownership is viewed by many as a cherished
10 component of the American dream; and

11 WHEREAS, Enabling veterans to achieve home ownership at
12 a lower cost is but a small reward for their faithful service in the
13 United States Armed Forces; and

14 WHEREAS, In appreciation of this service on behalf of our
15 state and nation, the States of California, Wisconsin, Texas,
16 Oregon, and Alaska have offered low interest rates on home loan
17 mortgages to eligible veterans for many decades; and

18 WHEREAS, These programs have assisted over a million
19 veterans in obtaining affordable housing and in making a better life
20 for themselves and their dependents; and

21 WHEREAS, These states utilize tax-exempt bonds known as
22 Qualified Veterans Mortgage Bonds (QVMBs) to fund almost all
23 of the home purchase and home improvement loans made to
24 veterans; and

25 WHEREAS, Current federal law governing the use of
26 tax-exempt bonds used to fund these loans, as contained in Section
27 143(l)(4) of the Internal Revenue Code, unfairly limits these
28 programs to only those veterans who served prior to January 1,
29 1977; and

30 WHEREAS, This restriction unfairly prevents all veterans
31 serving active duty post-1976 from using QVMBs, including over
32 500,000 men and women who served in Operation Desert Shield
33 and Operation Desert Storm and over 380,000 members serving
34 in Operation Enduring Freedom and Operation Iraqi Freedom; and

35 WHEREAS, These courageous men and women, many serving
36 in harm's way even today, deserve the same benefits offered to
37 their earlier comrades in arms, yet the states in which they and their
38 families reside are being denied the opportunity to use QVMBs;
39 and



1 WHEREAS, Congress has failed to remedy this discriminatory
2 federal provision on behalf of these deserving men and women,
3 despite the fact that it will not increase federal discretionary
4 spending; now, therefore, be it

5 *Resolved by the Assembly and Senate of the State of California,*
6 *jointly,* That the Legislature of the State of California
7 memorializes the President and the Congress of the United States
8 to support legislative action to immediately remove the
9 discriminatory portion of Section 143(l)(4) of the Internal
10 Revenue Code so that today's veterans and their families might
11 enjoy the same benefits as their earlier counterparts; and be it
12 further

13 *Resolved,* That the Chief Clerk of the Assembly transmit copies
14 of this resolution to the President and Vice President of the United
15 States, to the Speaker of the House of Representatives, to the
16 Majority Leader of the Senate, and to each Senator and
17 Representative from California in the Congress of the United
18 States, and to the Secretary of the Department of Veterans Affairs.

